

ADOPTED AND RECORDED
VERSION

AMENDED AND RESTATED REDEVELOPMENT
PLAN FOR THE FREMONT INDUSTRIAL
REDEVELOPMENT PROJECT

Prepared by the
Redevelopment Agency of the City of Fremont

Adopted November 22, 1983
By Ordinance No. 1577

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**AMENDED AND RESTATED
REDEVELOPMENT PLAN FOR THE
FREMONT INDUSTRIAL REDEVELOPMENT PROJECT**

PART I. INTRODUCTION

The Amended and Restated Redevelopment Plan for the Fremont Industrial Redevelopment Project (the "Plan") consists of text, a boundary and land use map (Exhibit A) and the legal description of the Project Area (Exhibit B). This Plan has been prepared to be accompanied by the Report on the Plan, as called for in the California Community Redevelopment Law.

The Plan has been prepared by the Fremont Redevelopment Agency staff pursuant to the Constitution of the State of California, the Community Redevelopment Law of the State of California, and all applicable laws and local ordinances.

This Plan was originally adopted by Ordinance No. 1577 of the City Council of the City of Fremont on November 22, 1983. The Plan, in its current form, was amended and restated pursuant to Ordinance No. 1854 of the City Council on January 3, 1989, Ordinance No. 1995 of the City Council on February 18, 1992, Ordinance No. 2025 of the City Council on February 2, 1993, Ordinance No. 2093 of the City Council on November 15, 1994, and Ordinance No. 2297 of the City Council on July 7, 1998.

PART II. GENERAL DEFINITIONS

The following definitions will be used in this Plan unless the context otherwise requires:

- A. "Agency" means the Fremont Redevelopment Agency, Fremont, California.
- B. "Bridge Benefit District" means that area coterminous with the Project Area, established pursuant to Government Code section 66484 and City Council Resolution No. 5886, dated November 15, 1983, as amended, to allocate costs of and apportion fees for interchange improvements serving the Project Area.
- C. "City" means the City of Fremont, California.
- D. "City Council" means the City Council of the City of Fremont, California.
- E. "County" means the County of Alameda, California.
- F. "Environmental Documentation" means, collectively, the environmental impact reports and negative declaration prepared pursuant to the California Environmental Quality Act, as certified and approved by the City Council in connection with the adoption of City Council

Ordinance No. 1577 (initially adopting this Plan), and City Council Ordinance Nos. 1854, 1995, 2025, 2093, and 2297 (subsequently amending and restating this Plan).

G. "Fiscal Year" means a fiscal year of the Agency, commencing July 1 and ending the following June 30.

H. "General Government Fiscal Agreement" means the First Amended and Restated Fiscal Agreement Regarding Fremont Industrial Redevelopment Project, initially executed as of January 12, 1993, as fully amended and restated as of November 1, 1995, by and among the Agency, the City, the County and specified other non-education district affected taxing entities.

I. "General Plan" means the Fremont General Plan, as it now exists or may be amended in the future.

J. "I-880" means Interstate Highway 880, formerly known as the Nimitz Freeway.

K. "Learning Center" has the meaning given in Part IV.C.2.

L. "Map" or "Project Area Map" means the Project Area Boundary and Land Use Map for the Fremont Industrial Redevelopment Project (Exhibit A).

M. "1992 Report" means the Report on the Fiscal Amendment prepared by the Agency and submitted to the City Council pursuant to Health and Safety Code Sections 33352 and 33457.1 in connection with City Council consideration and approval of Ordinance No. 2025, dated February 2, 1993, amending and restating this Plan.

N. "Ordinance No. 1577" means City Council Ordinance No. 1577, dated November 22, 1983, adopted by the City Council for the purpose of initially adopting this Plan.

O. "Owner" means any individual or entity owning real property.

P. "Person" means any individual, or any public or private entity.

Q. "Personal Property" means moveable property, chattels, and other property not part of real property.

R. "Plan" means the Amended and Restated Redevelopment Plan for the Fremont Industrial Redevelopment Project prepared under the Redevelopment Law and adopted by the City Council of the City of Fremont, as it now exists or may be amended in the future.

S. "Project" means the program of redevelopment undertaken pursuant to this Plan.

T. "Project Area" means the area included within the boundaries of the Fremont Industrial Redevelopment Project.

U. "Real Property" means land, including land under water and waterfront property; buildings, structures, fixtures, and improvements on the land; property appurtenant to or used in connection with the land; and every estate, interest, privilege, easement, franchise, and right in land, including but not limited to rights-of-way, terms for years, and liens, charges, or encumbrances by way of judgment, mortgage or otherwise and the indebtedness secured by such liens.

V. "Redevelopment Law" means the Community Redevelopment Law of the State of California (California Health and Safety Code Section 33000 et seq.).

W. "Report on the Plan" means, collectively, the reports (including the 1992 Report) prepared by the Agency and submitted to the City Council pursuant to Health and Safety Code Sections 33352 and 33457.1 in connection with the adoption of City Council Ordinance No. 1577 (initially adopting this Plan), and City Council Ordinances Nos. 1854, 1995, 2025, 2093, and 2297 (subsequently amending and restating this Plan).

X. "State" means the State of California.

Y. "Traffic Impact Fee" means the development fees that the City may charge pursuant to the provisions of Article 3 of Chapter 9 of Title VII of the Fremont Municipal Code and the implementing resolution(s).

Z. "Zoning Ordinance" means the Zoning Ordinance of the City of Fremont, California, as it now exists or may be amended in the future.

PART III. PROJECT AREA BOUNDARIES

The Project Area is designated on the Project Area Map, which is attached as Exhibit A and incorporated in the Plan by this reference.

Following the text of the Plan is Exhibit B, the legal description of the Project Area, which is incorporated in the Plan by this reference.

PART IV. REDEVELOPMENT GOALS AND OBJECTIVES

A. OVERVIEW

The Fremont Redevelopment Agency proposes to use the redevelopment process to eliminate and reduce aspects of economic, physical and social blight presently existing within the City of Fremont and more specifically within the Fremont Industrial Redevelopment Project Area. Redevelopment is necessary to permit orderly development of the Project Area through the financing of major public improvements at four interchanges of I-880 that serve the area, and through the provision of certain ancillary facilities as described below. The inadequacy of the Project Area interchanges for the ultimate intensity of development envisioned by the General

Plan prevents proper utilization of the Project Area, resulting in a serious physical, social and economic burden on the community. Public and private resources are inadequate to finance the improvements, thus leaving redevelopment as the only feasible method to alleviate the blighting conditions in the Project Area.

The Project Area, comprising 3,000 acres, is at the confluence of two streams of development pressure: high technology industries looking for more favorable, reasonably priced South Bay locations than those offered by the now-congested, higher-cost Silicon Valley, and traditional manufacturing/warehousing operations that are moving steadily southward from the older industrial districts of northern Alameda County. In recognition of these development pressures, the Association of Bay Area Governments (ABAG) regional plans and projections of employment and population growth identify the Project Area as a key growth corridor for high technology development. Planned development of the Project Area will enable Fremont to achieve a wide range of community goals. These goals are described in Section B below.

Unfortunately, achievement of these goals through development of the Project Area is prevented by a critical constraint--the severe inadequacy of four I-880 interchanges serving the Project Area at Auto Mall Parkway (formerly Durham Road), Fremont Boulevard, Mission Boulevard, and Dixon Landing Road to meet the demands generated by ultimate development of the Area in a manner consistent with the General Plan. The Environmental Documentation for this Plan identifies major improvements to these interchanges as an essential mitigation measure to enable planned development of the Project Area, as well as completion of the widening and improvement of I-880 itself through the Project Area financed by separate funding sources.

The State Department of Transportation (Caltrans) has indicated that the needed Project Area interchange improvements must be financed primarily from local revenue sources. The City of Fremont alone is incapable of financing these substantial public improvements given its severe budget constraints. The private property owners who will be among the primary beneficiaries of the interchange improvements are prepared to make a significant financial contribution toward interchange construction, as discussed in the 1992 Report. However, given the substantial development costs already faced by these developers for internal street, utility, and flood control improvements, the traditional public sector responsibility for highway interchange financing, the significant community-wide benefits generated by the proposed interchange improvements, and legal limitations on imposing development fees related to the "rational nexus" test, it is economically and legally infeasible and inequitable to require the private sector to bear the full financial burden. Thus, as more fully documented in the 1992 Report, it is not possible to finance the needed interchange improvements through public and private resources without the assistance of redevelopment.

As detailed in Section C below, a primary objective of the Agency in undertaking the Project is to use the redevelopment process to eliminate the blighting condition presented by the inadequate freeway interchanges. Specifically, the redevelopment process will be used to assist in financing the design and construction or reconstruction of on- and off-ramps and overpass bridges to accommodate anticipated future traffic flows. These improvements will facilitate full planned development of the Project Area.

In addition to funding the completion of the four interchanges, the Agency expects to assist in the funding and development of:

1. A Learning Center on an approximately 4-10 acre parcel in the Project Area to provide advanced technology life-time learning facilities and resources that are accessible to businesses locating in the Project Area and to the broader Fremont community;
2. A station and related facilities and services to provide commuter rail and bus service to the Project Area; and
3. Widening of Fremont Boulevard from Cushing to Warren.

Each of these improvements will facilitate private redevelopment of the Project Area and enhance the generation of tax increment revenue available for timely completion of the four interchanges serving the Project Area, thereby achieving the interrelated goals of Project Area blight elimination and regional economic development.

Finally, pursuant to Part XIV of this Plan, the Agency intends to pool the tax increment revenue generated within the Project Area with the tax increment revenue generated within Fremont's other redevelopment project areas, as permitted by Health and Safety Code Section 33485 et seq., to facilitate the timely completion of the City's overall redevelopment program.

B. REDEVELOPMENT GOALS

The specific goals of this Plan are:

1. To provide for the residents of Fremont a balance between housing and job opportunities.
2. To create employment and life-long learning opportunities for people being educated in the community's primary, secondary and community college system, and for community residents who have been displaced from jobs in declining sectors of the regional economy.
3. To enable the full development of the Project Area as called for in the General Plan without the intolerable levels of traffic congestion and attendant environmental problems that have plagued rapidly expanding industrial areas in some other parts of the Bay Area and elsewhere in California.
4. To ensure full utilization of the existing public infrastructure, including the regional highway network, railroad and mass transit systems, that already provide excellent service to Fremont and that make Fremont a logical growth corridor for regional development.
5. To promote centralized industrial development within the region, thus avoiding the premature spread of development to less accessible areas on the region's fringes with

attendant increases in commuter travel times, energy consumption, air pollution, and absorption of prime agricultural lands.

6. To retain and attract high-growth, clean industries to the benefit of Fremont, the Bay Area and the entire State of California, thus avoiding the loss of such desirable industries to aggressive competition from Sunbelt and other states and abroad.

7. To increase and improve the community supply of affordable low- and moderate-income housing through the use of a portion of the tax increment revenues generated by the Project as mandated by the Redevelopment Law.

C. REDEVELOPMENT OBJECTIVES

To accomplish the goals outlined above, the Agency will pursue attainment of the following objectives:

1. Working with Caltrans, the City of Milpitas and other governmental bodies, the Agency will undertake major improvements to the four I-880 interchanges serving the Project Area. These interchanges will be upgraded to a capacity level capable of properly serving the private development envisioned for the area.

2. The Agency will assist in the development of an advanced technology life-time learning center on an approximately 4-10 acre parcel in the Project Area that is accessible to businesses locating in and near the Project Area and to the broader Fremont community (the "Learning Center").

3. The Agency may assist in the financing and development of a station and related facilities and services to provide commuter rail and bus service to the Project Area, and in the financing of Fremont Boulevard widening from Cushing to Warren, thereby providing full utilization of the existing and proposed public transportation infrastructure serving the Project Area.

4. Through the merger and pooling of tax increment revenues, the Agency may use revenues from the Project Area to assist in fulfilling the redevelopment goals and objectives of Fremont's other redevelopment projects, as authorized by the Redevelopment Law.

5. The Agency and the City will use their full regulatory powers to ensure high-quality development of the Project Area in the manner that will fulfill the goals of this Plan and the General Plan. Actual development within the Project Area will be undertaken by private developers. The Agency will work with developers to implement the mitigation measures identified in the Environmental Documentation, especially those pertaining to wetlands, transportation, air and water quality, and health.

6. The Agency will make available twenty percent of the tax increment revenues it receives to fund existing and new City programs for low- and moderate-income housing

production, in a manner consistent with the Housing Element of the General Plan and the City's Housing Assistance Program.

PART V. LAND USE REGULATIONS

A. OVERVIEW OF REGULATIONS

The permitted land uses, land use standards and other evaluation guidelines of this Plan shall be those set forth in the General Plan. It is further intended that all provisions of the Zoning Ordinance be applicable to developments in the Project Area, and that all development in the Project Area comply with all applicable state and local laws, codes and ordinances in effect from time to time in the City in addition to any requirements of the Agency imposed pursuant to this Plan.

Finally, the applicable City zoning and planning processes (including any moratoria or temporary development restrictions imposed by the City) shall continue to have full effect and shall continue to serve as the primary determinant for land use decisions in the Project Area. Without limiting the generality of the foregoing, the Planning Commission, the City Council, City departments, and other City boards and commissions shall perform the same functions for consideration and approval or disapproval of development applications, permits and other entitlements for properties within the Project Area that are subject to this Plan, as for properties outside the Project Area that are not subject to this Plan.

B. PERMITTED LAND USES

As noted in the overview to this Part, the General Plan and Zoning Ordinance land use classification systems establish and are intended to continue to establish the permitted land uses in the Project Area under this Plan. Specifically, the General Plan establishes land use designations: (a) by designating a land use category (e.g. "Industrial," "Commercial," "Open Space," etc.) for each parcel, and (b) by specifying the zoning districts consistent with each General Plan land use category. In turn, the Zoning Ordinance specifies which activities are permitted, conditional, or accessory uses in each zoning district.

C. LAND USE MAP

The Project Area Map (Exhibit A) shows the land use designations (by General Plan land use category), major circulation routes and street layout, the location of proposed open space areas, and the property to be devoted to public purposes within the Project Area. The Project Area Map shall be deemed to be automatically modified as the land use element of the General Plan may be revised from time to time, in order to maintain conformance of this Plan with the General Plan as provided in Sections A and B of this Part.

D. GENERAL CONTROLS AND LIMITATIONS

All real property in the Project Area is hereby subject to the controls and requirements of this Plan. No real property shall be developed, rehabilitated, or otherwise changed after the date of adoption of the Plan except in conformance with the provisions of this Plan and all applicable State and local laws in effect from time to time.

1. New Construction. All new construction shall comply with all applicable State and local laws in effect from time to time.

2. Existing Non-Conforming Uses. The Agency is authorized to permit an existing use to remain in an existing building in good physical condition which does not conform to the provisions of this Plan provided that such use is generally compatible with the developments and uses within the Project Area.

3. Rehabilitation. Any structure within the Project Area which will be retained as part of the Plan shall not be altered, constructed, or rehabilitated unless it is done so in conformance with the Plan and any guidelines which may be adopted by the Agency to assist in the implementation of the Plan. This conformity shall extend to the architectural character, the public spaces and other elements as required by the City and/or Agency.

4. Open Spaces and Landscaping. The approximate amount of open space to be provided within the Project Area is set forth in the General Plan and is included as part of the goals and objectives of this Plan. Landscaping plans for development projects shall be submitted to the City and/or Agency for review and approval.

5. Height and Bulk. On any building site, the height and bulk of structures shall be regulated as provided in the General Plan and Zoning Ordinance.

6. Density. The maximum permitted density of development on any building site shall be regulated as provided in the General Plan and Zoning Ordinance.

7. Utilities. The Agency shall require that all new utilities be placed underground unless otherwise approved by the City and/or Agency. Such utilities include, but are not limited to, the following: transformer vaults or pads, water meters and valves, telephone pull boxes, manhole inlets, drain facilities, and cable television lines.

8. Signs. Exterior signs necessary for the identification of buildings and premises shall be as permitted by the Zoning Ordinance provided that they comply with any design criteria established for the Project Area. The Agency may require that the complete sign program for a development be reviewed by the Agency staff, as well as the City's Development Organization, prior to the erection or installation of signs in any part of the Project Area.

9. Incompatible Uses. No use or structure which by reason of appearance, traffic, smoke, glare, noise, odor, or other similar factors that would be incompatible with the

surrounding areas or structures shall be permitted in any part of the Project Area.

10. Nondiscrimination and Nonsegregation. There shall be no discrimination or segregation based on race, color, creed, religion, sex, marital status, national origin, or ancestry permitted in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of property in the Project Area.

11. Resubdivision of Parcels. After rehabilitation and development pursuant to this Plan, no parcel in the Project Area, including any parcel retained by a conforming owner or participant shall be subdivided without the approval of the City and/or Agency.

12. Variances. In the event the City grants a variance from applicable City land use regulations for development of a parcel within the Project Area, such grant of variance shall be deemed to constitute a comparable variance from the land use standards of this Plan without additional action by the Agency.

13. Trails. Planned bicycle and foot trails through the Project Area connecting Santa Clara County and the San Francisco Bay Wildlife Refuge shall be provided for in conjunction with development in the Project Area.

E. ADOPTION OF ADDITIONAL STANDARDS FOR DEVELOPMENT

Within the limits, restrictions, and controls established in the Plan, the Agency is authorized to establish and adopt specific standards for building heights, building coverage, design criteria, architectural character, landscaping character, sign character, traffic circulation ingress and egress, and any other development and design control necessary to implement the Plan. Such controls may relate to both private and public areas within the Project Area. No new development shall be constructed and no existing improvements shall be substantially modified, altered, repaired, or rehabilitated except in accordance with such adopted standards for development. The Agency shall not approve plans which do not comply with any adopted standards for development.

F. DWELLING UNIT COUNT

There are no housing units in the Project Area being used as permanent residences at the time of adoption of this Plan, and no permanent housing units are anticipated to be developed in the Project Area as a result of the Plan. As permitted by the Zoning Ordinance, certain ancillary residential uses (e.g. for resident security personnel) may be constructed in conjunction with development of industrial facilities in the Project Area.

G. BUILDING PERMITS

Upon adoption of this Plan, no permit shall be issued for the construction of any new building or the addition to or rehabilitation of any existing building in the Project Area until the application for such permit has been made and processed in a manner consistent with all City

requirements. Any permit that is issued must be for construction or maintenance which conforms to the provisions of this Plan.

The Agency is authorized to establish permit procedures and approvals in addition to those set forth above where required for the purposes of this Plan. Where such additional procedures and approvals are established, a building permit shall be issued only after the applicant has been granted all approvals required by the City and the Agency at the time of application

H. ENVIRONMENTAL MITIGATION

The City and Agency shall monitor and ensure implementation of mitigation measures identified in the Environmental Documentation and adopted by the City and Agency in connection with the initial adoption and/or subsequent amendment of this Plan.

PART VI. REDEVELOPMENT TECHNIQUES TO ACHIEVE PLAN OBJECTIVES

The development of the Fremont Industrial Redevelopment Project will be undertaken in accordance with the provision of the California Community Redevelopment Law.

The Agency proposes to use the following redevelopment techniques to achieve the objectives of the Plan set forth in Part IV above:

A. PUBLIC IMPROVEMENTS

As more fully set forth in Health and Safety Code Sections 33445 and 33679, and subject to the limitation set forth in Part VI.L below, the Agency is authorized to acquire, install and construct or cause to be acquired, installed and constructed the public improvements and utilities necessary to carry out this Plan, including:

1. All improvements necessary to upgrade the following four interchanges of I-880 to a capacity capable of handling traffic generated by the anticipated private development in the Project Area:

- a. Auto Mall Parkway (formerly Durham Road) Interchange;
- b. Fremont Boulevard Interchange;
- c. Mission Boulevard Interchange; and
- d. Dixon Landing Road Interchange.

Improvements to these interchanges may include, but shall not be limited to: on- and off-ramp construction, expansion and reconstruction; bridge construction, expansion and

reconstruction; utility improvements; drainage improvements; traffic signalization; improvement to City streets connecting with the interchanges; landscaping; environmental mitigation; and signage. The Agency is authorized to work with the City, the State Department of Transportation (Caltrans), the City of Milpitas, and any other involved governmental agency to complete the interchange improvements in the most expeditious and cost-effective manner. The Agency is authorized to finance and undertake all pre-construction activities reasonably related to construction of the interchange improvements, including, without limitation, preparation of all necessary environmental documents and applications for governmental permits, provision of assistance to Caltrans in the design of the interchange improvements and acquisition of land for the interchange improvements.

2. The Learning Center and related public facilities;
3. A station and related facilities and services to provide commuter rail and bus service to the Project Area; and
4. The widening of Fremont Boulevard between Cushing and Warren.

Except as otherwise provided above, all improvements to internal circulation streets within the Project Area will be undertaken at the expense of private developers as a condition of necessary development approvals. The existing and proposed internal circulation system is depicted in Exhibit A.

B. PROPERTY ACQUISITION

1. Acquisition of Real Property. The Agency is authorized to acquire or obtain options to acquire real property located within the Project Area by gift, devise, exchange, purchase, eminent domain or any other lawful method, but only for the purpose of providing land for the development of the public improvements described in Section A above (subject to the limitation set forth in Part VI.L below).

The City, in cooperation with the Agency and using funds provided by the Agency and other sources, will be responsible for any local acquisition of property outside the Project Area required for right-of-way use in connection with the interchange improvements. Further, the Agency is authorized to provide the City, the State (e.g., Caltrans) or other appropriate governmental entity with the funds necessary to complete property acquisition for the public improvements described in Section A above (subject to the limitation set forth in Part VI.L below).

Since it is in the public interest and is necessary for the elimination of those conditions requiring redevelopment, the power of eminent domain may be employed by the Agency to acquire real property in the Project Area for the purposes set forth above. The Agency must commence any eminent domain proceedings authorized by this Plan within twelve years from the date of adoption of Ordinance No. 2297 amending and restating this Plan. This time limit on commencing an action in eminent domain cannot be extended without further amendment to the Plan.

Prior to any acquisition through eminent domain the Agency shall adopt a resolution declaring a need to acquire any specific property and authorizing the acquisition by such method.

The Agency is not authorized to acquire real property owned by public bodies which do not consent to such acquisition. The Agency is authorized, however, to acquire property devoted to a public use, if it is transferred to private ownership before the Agency completes land disposition within the Project Area.

2. Acquisition of Personal Property. Generally, personal property shall not be acquired. However, where necessary in the execution of this Plan, the Agency is authorized to acquire personal property in the Project Area by any lawful means except eminent domain.

C. PARTICIPATION BY OWNERS AND BUSINESS TENANTS; AGENCY ASSISTANCE TO LEARNING CENTER

It is the intention of the Agency that the private owners of real property within the Project Area shall be solely responsible for development of such property, except that the Agency may (subject to the limitation set forth in Part VI.L below) provide assistance in any form or manner consistent with the Redevelopment Law to a private owner and developer of the Learning Center, if it is determined that the Learning Center will be owned and developed by a private entity rather than a public entity. All development in the Project Area by private owners shall be consistent with the standards set forth in this Plan and with all applicable state and local laws, including without limitation, the City's Zoning Ordinance and subdivision requirements.

Since, except with respect to Agency assistance for the Learning Center (if it is privately developed), this Plan envisions non-assisted private development of all privately owned parcels, the Agency does not intend to enter into any special owner participation, disposition and development, or business preference agreements with property owners other than agreements with respect to possible private development of the Learning Center (subject to the limitation set forth in Part VI.L below) and agreements that may be required to implement the Bridge Benefit District.

D. COOPERATION WITH PUBLIC BODIES

Certain public bodies are authorized by state law to aid and cooperate, with or without consideration, in the planning, undertaking, construction, or operation of this Project. The Agency shall seek the aid and cooperation of such public bodies and shall attempt to coordinate this Plan with the activities of such public bodies in order to accomplish the purposes of the redevelopment and the highest public good.

The Agency, by law, is not authorized to acquire real property owned by public bodies without the consent of such public bodies. The Agency, however, will seek the cooperation of all public bodies which own or intend to acquire property in the Project Area. The Agency shall have the right to impose on all public bodies the planning and design controls contained in the

Plan to ensure that present uses and any future development by public bodies conform to the requirements of this Plan.

E. PROPERTY MANAGEMENT

The Agency's property management authority shall be limited to management of those properties acquired for public improvement purposes as described in Sections A and B above. During such time as property in the Project Area is owned by the Agency, such property shall be under the management and control of the Agency. Such property may be rented or leased by the Agency pending its disposition for construction of interchange improvements or the Affordable Housing.

As further set forth in Health and Safety Code Section 33401, in any year during which the Agency owns property in the Project Area, the Agency may, but shall not be required to, pay to the County of Alameda or any district or other public corporation which would have levied a tax upon such property had it not been exempt, an amount of money in lieu of taxes that may not exceed the amount of money the public entity would have received if the property had not been tax-exempt.

F. RELOCATION OF DISPLACED PERSONS AND BUSINESS

The Agency does not anticipate that any persons or businesses will be displaced in connection with the implementation of this Plan. There are no permanent residents in the Project Area and no portion of the Project Area is currently designated for residential use. However, in the event that persons or businesses must be relocated, the following standards will apply.

1. Assistance in Finding Other Locations. The Agency shall assist all families and single persons displaced by the Project in finding other locations and facilities. There are areas of Fremont, other than the Project Area, not generally less desirable in regard to public utilities and public and commercial facilities, containing decent, safe and sanitary dwellings equal in number to the number of and available to such displaced families and persons and reasonably accessible to their places of employment. Such dwelling units are available at rents or prices within the financial means of the families and individuals displaced from the Project Area.

In order to carry out the Project with a minimum of hardship on persons displaced from their homes, the Agency shall assist individuals and families in finding housing that is decent, safe, sanitary, within their financial means, in reasonable convenient locations, and otherwise suitable to their needs. The Agency is also authorized to provide housing outside the Project Area for displaced persons.

2. Relocation Payments. The Agency may pay reasonable moving expenses to persons and businesses displaced by the Project. This provision is not intended to provide incentives for commercial and industrial businesses to move out of the Project Area. The Agency may make such relocation payments for moving expenses where the Agency determines it is in the best interest of the Project and not to do so would create a hardship on the persons involved. The Agency may make such other payments as may be in the best interest of the

Project and for which funds are available. The Agency shall make all relocation payments required by applicable law.

G. DEMOLITION, CLEARANCE, AND SITE PREPARATION

1. Demolition and Clearance. The Agency is authorized to demolish, clear, or move buildings, structures, and other improvements as necessary to carry out the purposes of this Plan. The Agency's authority to demolish and clear buildings shall be limited to those properties acquired for public improvements as set forth in Sections A and B above (subject to the limitation set forth in Part VI.L below).

2. Preparation of Building and Development Sites. The Agency is authorized to prepare or cause to be prepared property acquired for public improvements as set forth in Sections A and B above.

H. REPLACEMENT DWELLING UNITS

There are no permanent dwelling units in the Project Area and no portion of the Project Area is currently designated for residential development. Consequently, it is not the intention or expectation of the Agency, at the time of adoption of this Plan, to eliminate any housing in connection with implementation of the Plan. However, if any dwelling units housing persons and families of low- or moderate-income are destroyed or removed from the low- and moderate-income housing market as part of the Project, the Agency shall, within four years of such destruction or removal, rehabilitate, develop, or construct, or cause to be rehabilitated, developed, or constructed, for rental or sale to persons and families of low- or moderate-income an equal number of replacement dwelling units at affordable housing costs as defined by Health and Safety Code Section 50052.5, within the territorial jurisdiction of the Agency, in accordance with all the provisions of the Redevelopment Law (Health and Safety Code Sections 33413 and 33413.5).

To the extent and when necessary in carrying out this Plan, the Agency is authorized to move or to cause to be moved any building or other structure to a location within or outside the Project Area.

I. PROPERTY DISPOSITION AND DEVELOPMENT

Any real property acquired by the Agency for public improvements as set forth in Sections A and B above may be conveyed to the State (e.g., Caltrans) or other appropriate governmental entity at the proper time for development of such public improvements. Such real property may be conveyed without charge.

Any real property acquired by the Agency for the Learning Center may be conveyed to a public entity or private non-profit or for-profit developer for development, operation and maintenance of the Learning Center. The disposition documents for such conveyance shall require the public entity or private developer, as applicable, to develop the Learning Center in a

timely manner, and thereafter to operate and maintain the Learning Center in a manner consistent with the provisions of this Plan, the Redevelopment Law, and all applicable laws.

J. PREVENTION OF DISCRIMINATION

1. General. Property owners and developers shall comply with all State and local laws, in effect from time to time prohibiting discrimination or segregation by reason of race, color, religion, creed, marital status, sex, national origin or ancestry, in the sale, lease or occupancy of the property.

2. Conveyances by the Agency. Pursuant to the Redevelopment Law (Health and Safety Code Sections 33337 and 33435-33436), contracts entered into by the Agency relating to the sale, transfer or leasing of land, or any interest therein acquired by the Agency within the Project Area shall contain the provisions of those Redevelopment Law sections in substantially the form set forth therein. Such contracts shall further provide that the provisions of the applicable Redevelopment Law sections shall be binding upon and shall obligate the contracting party or parties and any subcontracting party or parties and all other transferees under the instrument.

3. Other Contracts, Deeds and Leases for Conveyance of Project Area Property. All deeds, leases or contracts for the sale, lease sublease or other transfer of any land in the Project Area shall contain the following nondiscrimination clauses as prescribed by the Redevelopment Law (Health and Safety Code Section 33436):

In deeds, the following language shall appear:

The grantee herein covenants by and for himself, his heirs, executors, administrators and assigns, and all persons claiming under or through them, that there shall be no discrimination against, or segregation of, any person or group of persons on account of race, color, creed, religion, sex, marital status, national origin, or ancestry, in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the premises herein conveyed, nor shall the grantee himself or any person claiming under or through him, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, subleases, or vendees in the premises herein conveyed. The foregoing covenants shall run with the land.

In leases, the following language shall appear:

The lessee herein covenants by and for himself, his heirs, executors, administrators, and assigns, and all persons claiming under or through him, and this lease is made and accepted upon and subject to the following conditions:

That there shall be no discrimination against or segregation of any person or group of persons, on account of race, color, creed, religion, sex, martial status, national origin, or ancestry, in the leasing, subleasing, transferring, use, occupancy, tenure or enjoyment of the premises herein leased, nor shall the lessee himself, or any person claiming under or through

him, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy of tenants, sublessees, subtenants, or vendees in the premises herein leased.

4. Duration. The covenants in deeds, leases, and contracts from or with the Agency, with respect to prevention of discrimination, shall remain in effect in perpetuity.

K. FINANCING OF LOW- AND MODERATE-INCOME AND COMMERCIAL DEVELOPMENT

The Redevelopment Construction Loan Act (California Health and Safety Code Sections 33750 et seq.) and the general powers of the Agency provide the authority for the Agency to issue tax-exempt mortgage-revenue bonds for the financing of housing construction and rehabilitation as well as for the development and construction of commercial facilities.

Tax-exempt mortgage-revenue bonds may be issued by the Agency in conjunction with the expenditure of the tax increment revenues required to be set aside for provision of low- and moderate-income housing pursuant to the Redevelopment Law (Health and Safety Code Section 33334.2).

In all cases, tax-exempt mortgage-revenue bond financing will only be available to those projects which fully satisfy all local zoning and land use requirements. As a general rule, the Agency will expect that mortgage revenue bond financed projects should show additional benefits to the community due to the provision of lower cost tax-exempt mortgage financing. Prior to the issuance of any such bonds, the Agency must be assured that there is adequate security for the payment of principal and interest when they become due and payable.

L. LIMITATION ON AUTHORITY

Notwithstanding any other authority set forth in this Plan, the Agency shall not fund from tax increment revenue any activity related to the improvements described in items 2, 3 or 4 of Part VI.A above prior to the execution of an amendment to the General Government Fiscal Agreement permitting the Agency to fund such activities from tax increment revenue.

PART VII. METHODS FOR FINANCING THE PROJECT

A. GENERAL PROVISIONS

The Agency is authorized to finance this Project with financial assistance from the City of Fremont, City of Milpitas, County of Alameda, County of Santa Clara, State of California, United States Government, private developers or any other available sources.

Advances for planning and the operating capital for administration of this Project may come through loans or grants from the City. Such loans or grants have been and shall continue

to be made on terms established by the City and the Agency. The City may also supply additional assistance through City loans and grants for various public facilities.

As available, gas tax funds from the State of California and the County of Alameda may be used toward the cost of street improvements and bicycle lanes. There may also be some revenue accruing to the Project from interest earned on investments of Agency funds.

The Agency is hereby authorized to obtain advances, and create contractual indebtedness and other obligations in carrying out this Plan. The principal, interest, and redemption premium, if any, on such advances, indebtedness and obligations may be paid from tax increment revenue or any other lawful source available to the Agency.

B. OVERVIEW OF PROJECT FINANCING

The Agency anticipates financing the Project through a combination of financing sources, including, without limitation, tax increment revenue, tax allocation bond proceeds, Bridge Benefit District fees, Traffic Impact fees, funds from the City of Milpitas, funds from the County of Alameda allocation of State Transportation Improvement Program ("STIP") revenues, and funds from the County of Santa Clara STIP revenues.

C. HOUSING FINANCING

Pursuant to the Redevelopment Law (Health and Safety Code Section 33334.2), a minimum of twenty percent of all tax increment revenues allocated to the Agency shall be used for the purposes of improving, increasing, and preserving the community's supply of low- and moderate-income housing available at affordable cost.

Tax increment revenues allocated to the Agency and earmarked for housing purposes will be used to fund existing and new City programs for housing development, in a manner consistent with the Housing Element of the City's General Plan and the City's Housing Assistance Program.

D. ALLOCATION OF TAX INCREMENT REVENUE

The 1992 Report sets forth the general role of tax increment revenues in financing the interchange improvement portion of Project. This Section describes the specific legal mechanism by which tax increment revenues shall be allocated and paid to the Agency for Project purposes.

All taxes levied upon taxable property within the Project Area each year by or for the benefit of the State of California, County of Alameda, City of Fremont, any district, or other public corporation (hereinafter sometimes called "taxing agencies") after the effective date of Ordinance No. 1577 initially adopting this Plan, shall be divided as follows:

1. That portion of the taxes which would be produced by the rate upon which the tax is levied each year by, or for, each of the taxing agencies upon the total sum of the assessed value of the taxable property in the Project as shown upon the assessment roll used in connection

with the taxation of such property by such taxing agency, last equalized prior to the effective date of Ordinance No. 1577 shall be allocated to and when collected shall be paid to the respective taxing agencies as taxes by, or for, said taxing agencies on all other property are paid. For the purpose of allocating taxes levied by, or for, any taxing agency or agencies which did not include the territory of the Project on the effective date of Ordinance No. 1577 but to which such territory has been annexed or otherwise included after such effective date, the assessment roll of the County of Alameda last equalized on the effective date of Ordinance No. 1577 shall be used in determining the assessed valuation of the taxable property in the Project on the effective date; and

2. Except as provided in Health and Safety Code Section 33670(e), that portion of said levied taxes each year in excess of the amount identified in paragraph 1. above shall be allocated to and when collected shall be paid into a special fund of the Agency to pay the principal of and interest on loans, monies advanced to, or indebtedness (whether funded, refunded, assumed, or otherwise) incurred by the Agency to finance or refinance, in whole or in part this Project. Unless and until the total assessed valuation of the taxable property in the Project exceeds the total assessed value of the taxable properties in such Project as shown by the last equalized assessment roll referred to in paragraph 1. above, all of the taxes levied and collected upon the taxable property in the Project shall be paid into the funds of the respective taxing agencies. When said loans, advances, and indebtedness, if any, and interest thereon, have been paid, all moneys thereafter received from taxes upon the taxable property in the Project shall be paid into the funds of the respective taxing agencies as taxes on all other property are paid.

3. Notwithstanding the provisions of paragraph 2. above, the Agency shall not claim on its annual statement of indebtedness prepared pursuant to Health and Safety Code Section 33675, at a minimum, the following amounts (with the purpose and effect that such unclaimed amounts shall not be allocated and paid to the Agency, but instead shall be allocated and paid to the affected taxing agencies):

a. That portion of the amount identified in paragraph 2. above attributable to increases in the assessed value of the taxable property in the Project Area, as the assessed value is established by the assessment roll last equalized prior to the effective date of Ordinance No. 1577, which are, or otherwise would be, calculated annually pursuant to subdivision (f) of Section 110.1 of the Revenue and Taxation Code; and

b. Through and including fiscal year 1992-93, an amount equal to fifty percent (50%) of the difference in a given fiscal year between the amount identified in paragraph 2 above and the amount identified in subparagraph 3.a above. Beginning in fiscal year 1993-94, this limitation shall no longer apply.

The portion of taxes allocated to the Agency pursuant to this Section D above may be irrevocably pledged by the Agency for the payment of the principal of and interest on money advanced, or any indebtedness (whether funded, refunded, assumed or otherwise) by the Agency to finance or refinance in whole or in part, the Project. The Agency is authorized to make such

pledges as to specific advances, indebtedness, and other obligations as appropriate, in carrying out the Project.

No more than \$400,000,000 of taxes may be divided and allocated to the Agency pursuant to this Section D and Health and Safety Code Section 33670 without further amendment of this Plan.

E. BONDS

The Agency may issue its bonds for the purpose of financing the Project or for the purpose of refunding bonds it has previously issued. The principal and interest payable on such bonds may be paid from:

1. the income and revenues of the Project;
2. the tax increment revenue allocated to the Agency as provided in Section D above;
3. the Agency's revenues generally;
4. taxes imposed pursuant to 7202.6 or 7280.5 of the Revenue and Taxation Code which are pledged therefor;
5. any contributions or other financial assistance from the state or local government;
6. repayment of loans or other form of indebtedness to the Agency;
7. funds received from private parties who have voluntarily consented to make such repayment;
8. any other source permitted by law; or
9. any combination of the above sources.

Part XIV.B sets forth a limitation on the amount of bonded indebtedness secured by tax increment funds that may be outstanding at any one time.

F. OTHER LOANS, GRANTS AND ADVANCES

Any other loans, grants, or financial assistance from any other public or private source may be utilized if available.

PART VIII. ACTIONS BY THE CITY

The City shall aid and cooperate with the Agency in carrying out this Plan and shall take all actions necessary to ensure the continued fulfillment of the purposes of the Plan to prevent the recurrence or spread in the area of conditions causing blight. Action by the City may include, but shall not be limited to, the following:

A. Acquisition of any real and personal property inside or outside the Project Area required as right-of-way for the interchange improvements; demolition and removal of structures on such acquired property; and preparation of such property for interchange construction. The costs to the City of such acquisition, demolition and site preparation may be reimbursed by the Agency from Project revenues.

B. Establishment and implementation of a Bridge Benefit District and Traffic Impact Fee mechanism to collect fees from property developers within the Project Area for purposes of Project financing.

C. Initiation and completion of proceedings for opening, closing, vacating, widening, or changing the grades of streets, alleys, and other public right-of-ways, as appropriate to carry out this Plan, including the widening of Fremont Boulevard between Cushing and Warren.

D. Initiation and completion of proceedings necessary for changes and improvements in publicly-owned public utilities within or affecting the Project Area.

E. Imposition wherever necessary (by subdivision approval, conditional use permits or other means) of appropriate controls, within the limits of this Plan, upon parcels in the Project Area to ensure their proper development and use.

F. Provision for administrative enforcement of this Plan.

G. Performance of the above, and of all other functions and services relating to public health, safety, and physical development normally rendered by the City, in accordance with a schedule that will permit the development of the Project Area to be commenced and carried to completion without unnecessary delay.

H. Assistance in the development of a Learning Center and of a train and bus station and supporting services serving the Project Area.

PART IX. ENFORCEMENT

After development, the administrative enforcement of this Plan or other documents implementing this Plan shall be performed by the City or the Agency.

The provisions of this Plan or other documents entered into pursuant to this Plan may also be enforced by court litigation instituted by either the Agency or the City. Such remedies

may include, but are not limited to, specific performance, damages, re-entry, injunctions, or any other remedies appropriate to the purpose of this Plan. In addition, any recorded provisions which are expressly for the benefit of owners of property in the Project Areas may be enforced by such owners.

PART X. DURATION OF THIS PLAN AND RELATED TIME LIMITS

Except for any other authority in excess of the following limits that may from time to time be granted by the Redevelopment Law (which authority shall be deemed to be incorporated into the provisions of the Plan by this reference and shall supersede the following limits):

A. The Agency shall not establish or incur loans, advances, or indebtedness to finance in whole or in part the Project after January 1, 2014. Loans, advances, or indebtedness may be repaid over a period of time beyond this time limit, subject to the further provisions of Section C below. The limit set forth in this Section A shall not prevent the Agency from incurring debt to be paid from the Housing Fund established pursuant to Health and Safety Code Section 33334.2 and 33334.3 or from establishing more debt in order to fulfill the Agency's housing obligations under Health and Safety Code Section 33413. This limit shall not prevent the Agency from refinancing, refunding, or restructuring indebtedness after the time limit if the indebtedness is not increased and the time during which the indebtedness is to be repaid does not exceed the date on which the indebtedness would have been paid.

B. The effectiveness of this Plan (including, without limitation, the effectiveness of the Agency's land use controls for the Project Area under this Plan) shall terminate on November 22, 2023. After expiration of this time limit on effectiveness of the Plan, the Agency shall have no authority to act pursuant to the Plan, except to pay previously incurred indebtedness, to enforce existing covenants, contracts and other obligations, and to complete any unfulfilled obligations under Health and Safety Code Section 33413.

C. The Agency shall not pay indebtedness or receive property taxes pursuant to Health and Safety Code Section 33670 after November 22, 2023.

D. Notwithstanding any other time limitations set forth in this Part X, the nondiscrimination and nonsegregation provisions of this Plan shall run in perpetuity, and the affordable housing covenants imposed by the Agency with respect to development, rehabilitation, and/or preservation of Project-related affordable housing (whether inside or outside the Project Area) shall continue in effect for such period as may be determined and specified by the Agency.

PART XI. PROCEDURE FOR AMENDMENT

This Plan may be amended by means of the procedure established in the Redevelopment Law (California Health & Safety Code Sections 33450 to 33458) or by any other procedure hereafter established by law.

PART XII. AUTHORITY OF THE AGENCY

To the extent legally permissible, the Agency is hereby authorized to undertake any redevelopment activity or exercise any power not already included herein, provided such action is not inconsistent with this Plan.

PART XIII. SEVERABILITY

If any provision, section, subsection, subdivision, sentence, clause or phrase of this Plan is for any reason held to be invalid, unenforceable, or unconstitutional, such decision shall not affect the validity and effectiveness of the remaining portions of the Plan.

PART XIV. MERGER OF PROJECT AREAS

A. MERGER

Pursuant to, and for the purpose of pooling of tax increment revenue among the merged areas as described in, Health and Safety Code Section 33485 et seq., the Project Area is hereby merged with the following project areas:

1. The project area established, amended and described in the Amended and Restated Redevelopment Plan for the Irvington Redevelopment Project, adopted by the City Council by Ordinance No. 1177, as amended by Ordinance Nos. 1387, 2092, and 2294 (the "Irvington Project Area");
2. The project area established, amended and described in the Amended and Restated Redevelopment Plan for the Niles Redevelopment Project, adopted by the City Council by Ordinance No. 1178, as amended by Ordinance Nos. 2091 and 2295 (the "Niles Project Area"); and
3. The project area established and described in the Amended and Restated Redevelopment Plan for the Centerville Redevelopment Project, adopted by the City Council by Ordinance No. 2250, as amended by Ordinance No. 2296 (the "Centerville Project Area").

The Project Area, the Irvington Project Area, the Niles Project Area, and the Centerville Project Area are each referred to below as a "constituent project area." This Part XIV authorizes the taxes attributable to each constituent project area which are allocated to the Agency pursuant

to Health and Safety Code 33670(b) to be allocated for redevelopment in any of the constituent project areas for the purpose of paying the principal of, and interest on, indebtedness incurred by the Agency to finance or refinance, in whole or in part, the redevelopment project in any of the constituent project areas; except that any such taxes attributable to a particular constituent project area shall first be used to pay indebtedness in compliance with the terms of any bond resolution or other agreement adopted or approved by the Agency prior to the merging of the four constituent project areas which pledges such taxes from that particular constituent project area. Except as otherwise noted in this Part XIV.A, tax increment revenue attributable to each constituent project area may be used for any lawful purpose in any of the constituent project areas.

Notwithstanding the foregoing authority, the Agency shall not make available tax increment revenue from the Project Area for use in financing the redevelopment program in the Irvington Project Area, the Niles Project Area or the Centerville Project Area prior to execution of an amendment to the General Government Fiscal Agreement permitting such use of tax increment revenue from the Project Area.

B. BONDED INDEBTEDNESS LIMIT

In accordance with Health and Safety Code Section 33334.1, the amount of bonded indebtedness to be repaid in whole or in part from the combined allocation of taxes to the Agency pursuant to Health and Safety Code Section 33670 from the Project Area, the Irvington Project Area, the Niles Project Area, and the Centerville Project Area, together, which can be outstanding at any one time shall not exceed \$200,000,000 in principal amount, except by amendment of this Plan and the redevelopment plans for the Irvington Project Area, the Niles Project Area, and the Centerville Project Area.

EXHIBIT A

PROJECT AREA BOUNDARY AND LAND USE MAP

EXHIBIT B
LEGAL DESCRIPTION OF PROJECT AREA